

EXHIBIT "B"



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**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**

Board of Trustees
c/o Mr. Patrick Keenan
International Union of Operating Engineers
Local 15, 15A, 15C, 15D Benefit Funds
265 West 14th Street
New York, NY 10011

Re: **Payroll Audit: Hirani Engineering & Land Surveying, P.C.**
August 1, 2003 – July 31, 2006

We have performed the procedures enumerated, which were agreed to by the management of the International Union of Operating Engineers Local 15, 15A, 15C, 15D Benefit Funds (the "Funds"), solely to assist you with respect to determining whether employer contributions provided by Hirani Engineering & Land Surveying, P.C. (the "Employer") on behalf of Funds' participants for the period August 1, 2003 through July 31, 2006 were made in accordance with collective bargaining agreements. The management of the Funds is responsible for the collection of employer contributions. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

- A. **Procedure:** Gross wages reported in Employer's payroll records were compared to federal and state payroll tax filings. Any discrepancies that aggregate \$500.00 or more, per quarter, will be reported.

Finding: No exceptions were found as a result of applying the procedure.

- B. **Procedure:** Total payroll hours for participants were compared to total stamp purchases and total stamp redemptions. Total payroll hours include hours for participants redeeming stamps, or appearing on remittance reports. Any stamp hours not redeemed at the time the procedures were performed were credited to the appropriate participant, provided the Employer's records indicated who received unredeemed stamps. Any discrepancies that aggregate 20 hours or more for an individual participant in a stamp year will be reported.

Finding: Exceptions were found as a result of applying the procedure. A fringe benefit deficiency totaling \$6,709.73 was scheduled. (See Appendix A.)

- C. **Procedure:** Employer's cash disbursement journal was reviewed for transfers to related companies and non-payroll disbursements to participants. All transfers to related companies will be reported. Any non-payroll disbursements to participants that aggregate \$500.00 or more, per calendar year, will be reported.

Finding: No exceptions were found as a result of applying the procedure.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on whether employers remitted contributions to the Funds in accordance with the various collective bargaining agreements. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Funds, and is not intended and should not be used by anyone other than those specified parties.


SCHULTHEIS & PANETTIERI, LLP
Hauppauge, New York

REPORT DATE: February 2, 2007

ISSUE DATE: May 2, 2007

/ew

Encs.

cc: James Callahan, Local 15
Ron Koriniskie, Local 15
James Steinberg, Esq. ✓

LOCAL 15

| | | |
|-----------------------------------|---|-------------------|
| Employer | HIRANI ENGINEERING & LAND SURVEYING, P.C. | |
| Address | 47 Mineola Blvd, Mineola, New York 11501 | |
| Mail Recap To | 47 Mineola Blvd, Mineola, New York 11501 | |
| Telephone # | 516-352-3630 | Ext. |
| Email Address | ebugarin@hiranigroup.com | |
| Contact | Ernie Bugarin | Position |
| Principal | Jitendra Hirani | Controller |
| Audit Period | 08/01/2003 - 07/31/2006 | |
| Due local 15D | \$ | 5,907.30 |
| Due local 15D CONSULT/LAND | \$ | 802.43 |
| Total Amount Due | \$ | <u>6,709.73</u> |

4/30/2007

HIRANI ENGINEERING & LAND SURVEYING, P.C.
Audit Period From 08/01/2003 To 07/31/2006

APPENDIX A

| NAME | SSN | P/R Hours | | Redeemed Hours | | Difference | |
|--|-------------|-----------|-------|----------------|--------|------------|-------------|
| | | Reg | OT | Reg | OT | Reg | OT |
| 8/1/03 - 6/30/04 2000 CONSULT/LAND SURVEYOR | | | | | | | |
| SMITH * D | 065-60-3080 | 320.00 | 5.00 | 0.00 | 256.00 | 0.00 | 64.00 |
| | | 320.00 | 5.00 | 0.00 | 256.00 | 0.00 | 64.00 |
| CREDIT FOR UNREDEEMED HOURS | | | | | | | |
| | | | | | | | |
| TOTAL HOURS DUE | | | | | | -0.00 | 0.00 |
| FRINGE BENEFIT RATE | | | | | | 64.00 | 0.00 |
| FRINGE BENEFIT DEFICIENCY | | | | | | 11.45 | 16.40 |
| TOTAL AMOUNT DUE 8/1/03-6/30/04: | | | | | | 732.80 | 0.00 |
| | | | | | | 69.63 | 802.43 |
| 15D | | | | | | | |
| 7/1/05 - 7/31/06 | | | | | | | |
| EVOLA * ROBERT | 086-40-6875 | 119.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| RALPH * BILFORD | 050-80-2771 | 1,180.00 | 34.00 | 6.00 | 920.00 | 34.00 | 260.00 |
| | | 1,299.00 | 34.00 | 6.00 | 920.00 | 34.00 | 379.00 |
| CREDIT FOR UNREDEEMED HOURS | | | | | | | |
| TOTAL HOURS DUE | | | | | | -88.00 | 0.00 |
| FRINGE BENEFIT RATE | | | | | | 291.00 | 0.00 |
| FRINGE BENEFIT DEFICIENCY | | | | | | 20.30 | 28.13 |
| TOTAL AMOUNT DUE 7/1/05-7/31/06: | | | | | | 5,907.30 | 0.00 |
| | | | | | | 0.00 | 5,907.30 |
| GRAND TOTAL FRINGE BENEFIT DEFICIENCY: | | | | | | | \$ 6,709.73 |